

**APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC
WATERS OF THE STATE OF NEVADA**

Date of filing in State Engineer's Office JAN 08 2004

Returned to applicant for correction _____

Corrected application filed _____

Map filed JAN 13 2004

The applicant **Cascade Gold, LLC** hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a co-partnership or association give names of members.) **Incorporated in Nevada on 8/18/98**

1. The source of the proposed appropriation is **Rockhill Canyon Creek Pershing County, NV.**

2. The amount of water applied for is **0.22 CFS** second-feet

(a) If stored in reservoir give number of acre-feet

3. The water to be used for **Mining, Milling and Domestic Purposes**

4. If use is for:

(a) Irrigation, state number of acres to be irrigated

(b) Stockwater, state number and kinds of animals to be watered

(c) Other use (describe fully under No. 12. "Remarks")

(d) Power:

(1) Horsepower developed

(2) Point of return of water to stream

5. The water is to be diverted from its source at the following point **Within the SW¼ SW¼ Section 13, T32N, R36E, MDM or at a point from which the SW corner of said Section 13 bears S 39°5'38" W, a distance of 474 feet (W1)**

6. Place of Use **All of Section 14, S½ Section 13, all of Section 24, T32N, R36E, MDM and, All of Section 30, T32N, R37E, MDM**

7. Use will begin about **January 1** and end about **December 31** of each year.

8. Description of proposed works **Pond for intake, equipped with motor, pump and pipelines to place of use**

9. Estimated cost of works **\$50,000**

10. Estimated time required to construct works **3 years**

11. Estimated time required to complete the application of water to beneficial use **8 years**

12. Remarks:

By **s/Roy H. Hibdon**
Roy H. Hibdon P.E., #370, Agent
1479 S. Wells Ave., Ste. #21
Reno, NV 89502

Compared cmf/sam lb/gkl
Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to all existing rights on the source. It is understood that the 0.22 c.f.s., herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually diverted and placed to a beneficial use.

A totalizing meter shall be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water diverted and placed to beneficial use. The totalizing meter shall be installed before any use of water begins and before the Proof of Completion is filed. The State retains the right to regulate the use of the water herein granted at any and all times.

Monthly records shall be kept of the amount of water diverted from this source and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 70743, 70745, 70747 and 70749 shall not exceed 159.27 acre-feet annually.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This Permit is issued under the preferred use provisions of NSR Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights. This permit is issued with the express understanding and on the condition that existing grazing use by authorized users or permittees will not be impaired or adversely affected by approval and issuance of this permit. Should grazing use be adversely affected, all uses under this permit shall cease, or the adverse affects adequately mitigated by the permittee.

(CONTINUED ON PAGE 3)

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.220 cubic feet per second, but not to exceed 159.27 acre-feet annually.

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:

March 12, 2009

Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:

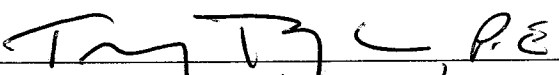
March 12, 2014

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, Tracy Taylor, P.E.,

State Engineer of Nevada, have hereunto set
my hand and the seal of my office,
this 12th day of March, A.D. 2007



State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____ NA _____

Certificate No. _____ Issued _____